

**REMARKS**

Prior to entry of this Amendment:

- Claims 40 – 42, 55, 56, 58, 59, 61 – 69 and 71 were pending in the present application
- Claims 40 – 42, 55, 56, 58, 59, 61 – 69 and 71 stand rejected

Upon entry of the Amendment, which is respectfully requested for the reasons set forth below:

- Claims 40 – 42, 55, 56, 58, 59, 61 – 69, and 71-75 will be pending

Applicants respectfully traverse the rejections for the reasons indicated below.

**Claim Rejections Under 35 U.S.C. § 112**

Claims 40 – 42 and 55 – 56 were rejected under 35 U.S.C. §112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which the Applicant regards as the invention.

Specifically, the Examiner refers to the limitation of Claim 40, “enabling by the trading ... at least one of the first and second traders to ... specifying at least one of a first and second amount, wherein the second amount is disclosed to other traders,” as being indefinite.

Applicants respectfully disagree. “[t]he first and second traders” in the claim have proper antecedent basis. Further, “the second amount” has proper antecedent basis. Additionally, “other traders” is not an indefinite term; it corresponds to traders from the plurality of traders, which are not the first and the second traders.

Accordingly, Applicants respectfully submit that the claims satisfy the requirements under 35 U.S.C. §112, second paragraph. Withdrawal of this rejection is respectfully requested.

**Claim Rejections Under 35 U.S.C. § 103(a)**

Claims 40 – 42, 55, and 56 were rejected under 35 U.S.C. § 103(a) as obvious over U.S. Patent No. 5,243,331 (“McCausland”) in view of U.S. Patent No. 5,915,209 (“Lawrence”) and U.S. Patent No. 5,809,483 (“Broka”). Claims 61 – 69, and 71 were rejected under 35 U.S.C. § 103(a) as obvious over U.S. Patent No. 5,243,331 (“McCausland”) in view of U.S. Patent No. 5,915,209 (“Lawrence”) and U.S. Patent No. 7,231,363 (“Hughes”). Claims 58 and 59 were rejected under 35 U.S.C. § 103(a) as obvious over U.S. Patent No. 5,243,331 (“McCausland”) in view of U.S. Patent No. 6,343,278 (“Jain”).

Applicants respectfully submit that the presently claimed elements of the present invention are not described or shown by the combination of McCausland, Lawrence, and Broka or the combination of McCausland, Lawrence, and Hughes or the combination of McCausland and Jain. Applicants discuss the rejection below as it applies to (a) independent claims 40, 58, 60, 61, and 71; (b) and dependent claims 41 – 42, 55 – 56, 59, and 62 – 69.

**(a) Independent Claims 40, 58, 61, and 71**

The Office Action at page 21 states that one cannot show non-obviousness by attacking the references individually. Further, the Office Action states that the limitation “matching by the trading platform ....” is disclosed by the primary reference and the secondary references are improvements over the primary references. Applicants respectfully disagree that the primary reference, McCausland, discloses the limitation. Further, Applicants submit that neither the secondary references disclose the particular limitation. Therefore, since none of the references disclose the particular limitation, any conceivable combination of the references could not possibly disclose the limitation.

The sections below discuss in more detail the rejections as they apply to the independent claims and each corresponding combination of the references.

**I. Independent Claim 40**

Claim 40 recites:

A computer-based trading method for trading a plurality of different types of bond instruments via a trading platform, comprising:

receiving electronically by the trading platform from a first trading computer a first order request from a first trader;

receiving electronically by the trading platform from a second trading computer a second order request from a second trader;

displaying by the trading platform to at least one of the first and second traders at least one of a first and second lists of orders including a plurality of data fields corresponding to at least one of the first and second order requests;

enabling by the trading platform at least one of the first and second traders to complete on one side of a prospective trade for one of the plurality of bond instruments at least one of a first and second orders by selecting an order from the at least one of the first and second lists of orders specifying at least one of a first and second amount, wherein the second amount is disclosed to other traders;

receiving electronically from at least one of the first and second trading computers via the trading platform at least one of the first and second completed orders;

receiving electronically authorization from at least one of the first and second traders to broadcast at least part of the received orders to a plurality of traders;

transmitting electronically by the trading platform the received orders authorized for broadcast to each of the plurality of traders without disclosing an identity of each trader associated with each order being broadcast;

displaying by the trading platform the received orders authorized for broadcast;

matching by the trading platform the received trading orders using a price/time priority in combination with at least one of predetermined order conditions when present, comprising:

- a "Fill or Kill" order condition by immediately filling the order in its entirety or by canceling the order when the order is not immediately filled;
- an "All or None" order condition by filling the entire quantity of the order;
- a "Minimum Fill" order condition by initially filling a first quantity and wherein the remaining balance has no conditions unless specified;
- a "Lots Of" order condition by setting a condition of minimum execution in lots;
- a "Show Only" order condition by managing the display of quantity;
- a "Good Until a time of day" order condition by setting the time of order expiration in terms of a time of day;
- a "Good For a period of time" order condition by setting the time of order expiration in terms of hours and minutes; and
- a "Quantity" order condition by including the remaining quantity;

preventing a match responsive to said predetermined order conditions;  
and

executing automatically by the trading platform trading of the received trading orders upon receiving selection from one of the plurality of traders of a particular trading order comprising a bid or offer when a plurality of the trading orders match.

The references cited in the Office Action, no matter how they hypothetically may be combined, do not teach or suggest, for example, this combination of features when interpreted as a whole.

Without conceding that McCausland discloses any of the features of the present invention, **McCausland merely discloses a “keypad** for interacting with a computer system having a display screen.” (Abstract). Specifically, “keypad 200 has a plurality of single-pole, single-throw momentary contact pushbutton keys 208 through 258 which enable transactions to be completed with a reduced number of key strokes.” (Col. 6, lines 42 – 45). **Nothing in McCausland suggests for example, in combination,** “matching by the trading platform the received trading orders using a price/time priority in combination with predetermined order conditions comprising [the predetermined conditions cited in claim 40].”

Specifically, the Examiner points to Col. 2, lines 5-65 and Col. 22 line 40 through Col. 23, line 30. Applicant respectfully disagrees. McCausland merely teaches four action keys with default rules that apply when the action keys are pressed.

In McCausland, “[t]he following default rules apply when keys 226 [Take], 228 [Offer], 230 [Hit] or 232 [Bid] are pressed:

1. Hit or Take entries automatically default to both size and price as displayed.
2. Bid or Offer entries automatically default to a minimum trading size. This is \$5 million for bills, and \$1 million for coupons.” Col. 22, line 67 to Col. 23, line 5.

The Hit or Take rule (1) specifies that the execution of the trade is performed using price and time priority. The Bid or Offer rule (2) is used to merely formulate the trading order. They are not used to impose any predetermined conditions that the order is matched against. Specifically, this rule specifies the minimum bid/order submitted by the trader. In contrast, Claim 40 discloses matching of received trading orders using price/time priority **in combination with predetermined order conditions**. The Office Action has failed to show that McCausland

performs matching of the received trading orders using price/time priority **in combination with predetermined order conditions**.

The other cited reference, Lawrence, is concerned with providing a municipal bond trading system to provide “the capability to conduct a private electronic auction of bid wanteds between a central market-maker and multiple remote clients who are respective bidders” (Col. 3, lines 36-40). **Nothing in Lawrence suggests “matching by the trading platform the received trading orders using a price/time priority in combination with predetermined order conditions comprising [the predetermined conditions cited in claim 40].”**

Broka relates to a bond system developed to gather quote and trade information from several bond traders and other users and to organize and disseminate such information. **Nothing in Broka suggests “matching by the trading platform the received trading orders using a price/time priority in combination with predetermined order conditions comprising [the predetermined conditions cited in claim 40].”**

Thus, neither Lawrence nor Broka remedy the shortcomings of McCausland in this regard. As a result, the combination of references that do not disclose the particular limitation cannot possibly teach the limitation. For at least the above reasons, the combination of limitations recited in Claim 40, when considered as a whole, is considered to be patentable over the combination of McCausland, Lawrence, and Broka.

## **II. Independent Claims 61 and 71**

Independent Claims 61 and 71 were rejected under 35 U.S.C. § 103(a) as obvious over U.S. Patent No. 5,243,331 (“McCausland”) in view of U.S. Patent No. 5,915,209 (“Lawrence”) and U.S. Patent No. 7,231,363 (“Hughes”).

Claim 61 recites:

A computer-based dealer-to-dealer trading method for trading a plurality of different types of bond instruments, comprising:  
displaying anonymously to a plurality of buyer dealers sell orders comprising different types of bond instruments offers for sale for different types of bond instruments;

enabling the plurality of buyer dealers to anonymously perform a query for different types of bond instruments;

enabling the plurality of buyer dealers to anonymously submit buy orders and to buy at least one of the different types of bond instruments;

matching using a computer the buy orders and the sell orders for the one or more different types of bond instruments in a price and time priority basis in combination with at least one of predetermined order conditions when present, comprising:

a “Fill or Kill” order condition by immediately filling the order in its entirety or by canceling the order when the order is not immediately filled;

an “All or None” order condition by filling the entire quantity of the order;

a “Minimum Fill” order condition by initially filling a first quantity and wherein the remaining balance has no conditions unless specified;

a “Lots Of” order condition by setting a condition of minimum execution in lots;

a “Show Only” order condition by managing the display of quantity;

a “Good Until a time of day” order condition by setting the time of order expiration in terms of a time of day;

a “Good For a period of time” order condition by setting the time of order expiration in terms of hours and minutes; and

a “Quantity” order condition by including the remaining quantity;

preventing a match responsive to said predetermined order conditions;

transmitting all trading orders using the computer wherein the buy orders and the sell orders are matched and authorized for broadcast to each of the plurality of buyer dealers and seller dealers that are matched without disclosing an identity of each of the buyer dealer and the seller dealer associated with each trading order being broadcast;

displaying all received trading orders forwarded from a controller for broadcast;

submitting a completed trading order when at least one of the buy orders and the sell orders match; and

reporting all the matched buy orders and sell orders.

The references cited in the Office Action, no matter how they hypothetically may be combined, do not teach or suggest, for example, this combination of features when interpreted as a whole.

Without conceding that McCausland discloses any of the features of the present invention, **McCausland merely discloses a “keypad** for interacting with a computer system having a display screen.” (Abstract). Specifically, “keypad 200 has a plurality of single-pole, single-throw momentary contact pushbutton keys 208 through 258 which enable transactions to be completed with a reduced number of key strokes.” (Col. 6, lines 42 – 45). **Nothing in**

**McCausland suggests for example, in combination,** “matching by the trading platform the received trading orders using a price/time priority in combination with predetermined order conditions comprising [the predetermined conditions cited in claim 61].”

Specifically, the Examiner points to Col. 2, lines 5-65 and Col. 22 line 40 through Col. 23, line 30. Applicant respectfully disagrees. McCausland merely teaches four action keys with default rules that apply when the action keys are pressed.

In McCausland, “[t]he following default rules apply when keys 226 [Take], 228 [Offer], 230 [Hit] or 232 [Bid] are pressed:

1. Hit or Take entries automatically default to both size and price as displayed.
2. Bid or Offer entries automatically default to a minimum trading size. This is \$5 million for bills, and \$1 million for coupons.” Col. 22, line 67 to Col. 23, line 5.

The Hit or Take rule (1) specifies that the execution of the trade is performed using price and time priority. The Bid or Offer rule (2) is used to merely formulate the trading order. They are not used to impose any predetermined conditions that the order is matched against. Specifically, this rule specifies the minimum bid/order submitted by the trader. In contrast, Claim 40 discloses matching of received trading orders using price/time priority **in combination with predetermined order conditions**. The Office Action has failed to show that McCausland performs matching of the received trading orders using price/time priority **in combination with predetermined order conditions**.

The other cited reference, Lawrence, is concerned with providing a municipal bond trading system to provide “the capability to conduct a private electronic auction of bid wanteds between a central market-maker and multiple remote clients who are respective bidders” (Col. 3, lines 36-40). **Nothing in Lawrence suggests “matching by the trading platform the received trading orders using a price/time priority in combination with predetermined order conditions comprising [the predetermined conditions cited in claim 40].”**

Hughes relates to trading methods that use broker dealers as intermediaries. **Nothing in Hughes suggests “matching by the trading platform the received trading orders using a price/time priority in combination with predetermined order conditions comprising [the predetermined conditions cited in claim 40].”** Hughes merely allows broker dealers to receive

orders relating to particular transactions and have the option to accept the order by submitting a matching counter order, or to rebroker the order to a number of other investors or additional broker dealers.

Thus, neither Lawrence nor Hughes remedy the shortcomings of McCausland in this regard. As a result, the combination of references that do not disclose the particular limitation cannot possibly teach the limitation. For at least the above reasons, the combination of limitations recited in Claim 61, when considered as a whole, is considered to be patentable over the combination of McCausland, Lawrence, and Hughes.

### **III. Independent Claim 58**

Independent Claim 58 was rejected under 35 U.S.C. § 103(a) as obvious over U.S. Patent No. 5,243,331 (“McCausland”) in view of U.S. Patent No. 6,343,278 (“Jain”).

Claim 58 recites:

A computer-based trading method for trading a plurality of different types of bond instruments, comprising:

enabling a seller to anonymously submit a sell order for a bond instrument over a computer network to potential traders of bond instruments comprising at least one buyer;

enabling a buyer to anonymously submit a buy order for the bond instrument over a computer network wherein the seller can control the amount of the order that is disclosed to the potential traders;

matching using a computer the buy orders and the sell orders using at least one of a price priority and time priority in combination with predetermined order conditions when present, comprising:

a “Fill or Kill” order condition by immediately filling the order in its entirety or by canceling the order when the order is not immediately filled;

an “All or None” order condition by filling the entire quantity of the order;

a “Minimum Fill” order condition by initially filling a first quantity and wherein the remaining balance has no conditions unless specified;

a “Lots Of” order condition by setting a condition of minimum execution in lots;

a “Show Only” order condition by managing the display of quantity;

a “Good Until a time of day” order condition by setting the time of order expiration in terms of a time of day;

a “Good For a period of time” order condition by setting the time of order expiration in terms of hours and minutes; and



- a “Quantity” order condition by including the remaining quantity;
  - displaying all received trading orders forwarded from a controller for broadcast;
  - preventing a match responsive to said predetermined order conditions;
  - submitting a completed trading order to a central controller under control of a seller or a buyer;
  - executing automatically a trading order upon selection by a seller or a buyer of a particular bid or offer being displayed when at least one of the buy orders and the sell orders match; and
  - creating an audit trail for each order that includes creating an immutable record of every order modification.

The references cited in the Office Action, no matter how they hypothetically may be combined, do not teach or suggest, for example, this combination of features when interpreted as a whole.

Without conceding that McCausland discloses any of the features of the present invention, **McCausland merely discloses a “keypad** for interacting with a computer system having a display screen.” (Abstract). Specifically, “keypad 200 has a plurality of single-pole, single-throw momentary contact pushbutton keys 208 through 258 which enable transactions to be completed with a reduced number of key strokes.” (Col. 6, lines 42 – 45). **Nothing in McCausland suggests for example, in combination,** “matching by the trading platform the received trading orders using a price/time priority in combination with predetermined order conditions comprising [the predetermined conditions cited in claim 58].”

Specifically, the Examiner points to Col. 2, lines 5-65 and Col. 22 line 40 through Col. 23, line 30. Applicant respectfully disagrees. McCausland merely teaches four action keys with default rules that apply when the action keys are pressed.

In McCausland, “[t]he following default rules apply when keys 226 [Take], 228 [Offer], 230 [Hit] or 232 [Bid] are pressed:

1. Hit or Take entries automatically default to both size and price as displayed.
2. Bid or Offer entries automatically default to a minimum trading size. This is \$5 million for bills, and \$1 million for coupons.” Col. 22, line 67 to Col. 23, line 5.

The Hit or Take rule (1) specifies that the execution of the trade is performed using price and time priority. The Bid or Offer rule (2) is used to merely formulate the trading order. They are not used to impose any predetermined conditions that the order is matched against.

Specifically, this rule specifies the minimum bid/order submitted by the trader. In contrast, Claim 40 discloses matching of received trading orders using price/time priority **in combination with predetermined order conditions**. The Office Action has failed to show that McCausland performs matching of the received trading orders using price/time priority **in combination with predetermined order conditions**.

The other cited reference, Jain, relates to “a computerized system for coordinated trading of multiple instruments such as different tenors of forward rate agreements for the same currency.” (Col. 1, lines 15 – 17). **Nothing in Jain suggests “matching by the trading platform the received trading orders using a price/time priority in combination with predetermined order conditions comprising [the predetermined conditions cited in claim 40].”** Jain merely performs a compatibility determination between newly submitted sell and offer orders against outstanding bid orders, and compatible orders are considered in price/time order.

Thus, neither Lawrence nor Hughes remedy the shortcomings of McCausland in this regard. As a result, the combination of references that do not disclose the particular limitation cannot possibly teach the limitation. For at least the above reasons, the combination of limitations recited in Claim 58, when considered as a whole, is considered to be patentable over the combination of McCausland and Jain.

**(b) Dependent Claims 41 – 42, 55 – 56, 59, and 62 – 69**

In view of the arguments presented above for the independent Claims 40, 57, 58, 60, 61, and 71, the Applicants respectfully submit that the combination of elements recited in dependent claims 41 – 42, 55 – 56, 59, and 62 – 69 are allowable for the reasons discussed above, as well as additional limitations recited in combination in each dependent claim, when interpreted as a whole.

Claims 41 – 42 are dependent on Claim 40 and are allowable for the reasons discussed above. In addition, McCausland **does not** disclose, for example, the limitation in combination “reporting every executed trade to all traders in a scrolling ticker continually updated in each trader's graphical user interface, there being one scrolling ticker for each bond instrument type.” Specifically, the Examiner points to Figures 1 and 2 and their associated descriptions as teaching this limitation. Applicant respectfully disagrees. **McCausland merely teaches “a local trader station computer program** which provides a variety of display and communication functions.” (Col. 5, lines 26-28). **McCausland is devoid of any teaching or suggestion** of a “scrolling ticker continually updated in each trader's graphical user interface.”

Claims 62 –69 are dependent on Claim 61 and, therefore, are allowable at least for the reasons discussed above. Moreover, Claim 63 discloses, for example, the limitations in combination of “displaying range specific data fields to the plurality of buyer dealers including a coupon range having a coupon minimum and maximum, a maturity range having an earliest and latest maturity date, a bond rating range having a rating minimum and maximum, a quantity range having a quantity minimum and maximum, a yield range having a yield minimum and maximum, and a price range having a price minimum and maximum; enabling the plurality of buyer dealers to specify a minimum and maximum coupon, an earliest and latest maturity date, a minimum and maximum bond rating, a minimum and maximum quantity, a minimum and maximum yield, and a minimum and maximum price; matching by the plurality of buyer dealers the different types of bond instruments being offered for sale; and submitting anonymously by at least one of the plurality of buyer dealers buy orders responsive to the displayed range specific data field.” In addition, Claim 66 discloses, for example, the limitation in combination. “preventing a match under said predetermined buy order conditions or sell order condition.”

Applicant’s decision not to address other features in the claims and/or the features of the remaining dependent claims does not constitute an admission that such elements are disclosed by the cited art, but rather a recognition that such features are moot given the Examiner’s failure to provide a showing of the features of the corresponding independent claims. Applicant reserves the option to comment on such elements in further prosecution.

### **CONCLUSION**

Applicants respectfully submit that, as described above, the cited prior art does not show or suggest the combination of features recited in the claims. Applicants do not concede that the cited prior art shows any of the elements recited in the claims. However, to the extent Applicants have discussed specific elements of the claims, Applicants have merely provided examples of elements in the claims that are clearly not present in the cited prior art.

Applicants strongly emphasize that one reviewing the prosecution history should not interpret any of the examples Applicants have described herein in connection with distinguishing over the prior art as limiting to those specific features in isolation. Rather, Applicants assert that it is the combination of elements recited in each of the claims, when each claim is interpreted as a whole, which is patentable. Applicants have emphasized certain features in the claims as clearly not present in the cited references, as discussed above. However, Applicants do not concede that other features in the claims are found in the prior art. Rather, for the sake of simplicity, Applicants are providing examples of why the claims described above are distinguishable over the cited prior art.

Applicants wish to clarify for the record, if necessary, that the claims have been amended to expedite prosecution and/or explicitly recite that which is already present within the claims as interpreted in view of the specification. Moreover, Applicants reserve the right to pursue the original and/or complimentary subject matter recited in the present claims in a continuation application.

Any claims that have been cancelled are hereby cancelled without prejudice or disclaimer, and Applicants reserve the right to further prosecute these claims in continuing

applications. In addition, Applicants have attempted to claim all embodiments disclosed in the present application, and no disclaimer of any embodiments is hereby intended by the presently pending claims.

Any narrowing amendments made to the claims, if any, in the present Amendment are not to be construed as a surrender of any subject matter between the original claims and the present claims; rather merely Applicants' best attempt at providing one or more definitions of what the Applicants believe to be suitable patent protection. In addition, the present claims provide the intended scope of protection that Applicants are seeking for this application. Therefore, no estoppel should be presumed, and Applicants' claims are intended to include a scope of protection under the Doctrine of Equivalents and/or statutory equivalents, i.e., all equivalents that are substantially the same as the presently claimed invention.

Further, Applicants hereby retract any arguments and/or statements made during prosecution that were rejected by the Examiner during prosecution and/or that were unnecessary to obtain allowance, and only maintain the arguments that persuaded the Examiner with respect to the allowability of the patent claims, as one of ordinary skill would understand from a review of the prosecution history. That is, Applicants specifically retract statements that one of ordinary skill would recognize from reading the file history were not necessary, not used and/or were rejected by the Examiner in allowing the patent application.

Applicants also traverse any "Official Notice," "Design Choice," "Admitted Prior Art" or other alleged prior art that the Examiner purports is well known with respect to the claimed combination of the present invention. Applicants disagree and request the Examiner to provide a prior art reference describing any of these features that the Examiner has not provided a prior art

reference or an affidavit under 37 C.F.R. Section 1.104(d)(2) providing details of why it would have been obvious. In the absence of either, Applicants request withdrawal of this rejection for these reasons as well.

For all the reasons advanced above, Applicants respectfully submit that the rejections have been overcome and should be withdrawn.

For all the reasons advanced above, Applicants respectfully submit that the Application is in condition for allowance, and that such action is earnestly solicited.

**AUTHORIZATION**

The Commissioner is hereby authorized to charge any additional fees, which may be required for this Amendment, or credit any overpayment to Deposit Account No. 08-0219.

In the event that an Extension of Time is required, or which may be required in addition to that requested in a petition for an Extension of Time, the Commissioner is requested to grant a petition for that Extension of Time which is required to make this response timely and is hereby authorized to charge any fee for such an Extension of Time or credit any overpayment for an Extension of Time to Deposit Account No. 08-0219.

Respectfully submitted,

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/Irah H. Donner/

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